

Revenue and Tax Categories

The information in the accompanying charts and tables is all from two annual publications of the US Census Bureau, *Government Finances* and *State Government Tax Collections*. The charts and tables use the revenue categories in these publications.

The Census Bureau defines revenue as all money a government receives from external sources except for borrowing, the sale or redemption of securities, and transactions where the government is acting as an agent or trustee for another party. Transfers or payments from one government fund to another are not counted as revenue.

The accompanying charts and tables all show combined net state and local revenue. Transfers between a state and local governments in the state or between local governments net to zero and are not included in the Census Bureau's measure of combined state and local revenue.

The Census Bureau divides revenue into general revenue and other types of revenue. In the accompanying charts and tables, these other types of revenue are combined under the label "non-general revenue".

Non-general revenue includes the gross revenue of liquor enterprises; gross revenue from government utility operations; contributions to public employee retirement funds, unemployment insurance funds and other social insurance trust funds; and investment earnings of these trust funds.

General Revenue is divided into taxes, intergovernmental revenue, current charges, and miscellaneous general revenue.

Taxes are measured as gross collections less refunds and amounts paid under protest. Assessments for special improvement districts are not counted as taxes.

Federal transfers are the only intergovernmental revenue for the combined state and local government sector. They include federal funds for education; federal payments for state administration of unemployment compensation systems and related services; federal aid to local governments; payments in lieu of taxes; federal aid to local health programs; federal payments for highways and transportation systems; federal aid to agriculture and natural resource programs; and federal aid for local utility systems.

Current charges includes tuition and fees charged by schools and higher education institutions; charges of publicly-owned hospitals; highway tolls and parking fees; receipts from sales of minerals or products from public lands; laboratory fees; rent from public housing; and sewer and solid waste disposal fees.

Miscellaneous general revenue includes assessments of special improvement districts; receipts from the sale of property; interest earnings; fines and other penalties; rents, royalties and donations; and net lottery revenue.

Figures 3 and 6 divide taxes into six categories: property taxes, general sales taxes, selective sales taxes, income taxes, severance taxes, and all other taxes.

Property taxes are taxes on the value of property. The Census Bureau does not count taxes or charges that are based on something other than value, such as road frontage, as property taxes.

General sales taxes are taxes imposed on all sales or gross receipts that are not given a specific exemption.

The Census Bureau defines **selective sales taxes** as all taxes imposed on the sale of a particular commodity or service. This definition includes taxes based on the sales price and taxes per unit sold. This category includes taxes on alcoholic beverages; admissions; insurance premiums; motor fuels; utilities and telecommunications; and cigarettes and tobacco.

Income taxes include individual and corporate income taxes.

Severance taxes are taxes on the extraction of natural resources that are based on the value or quantity of resources extracted.

The **all other taxes** category includes all other taxes and many fees. It includes occupational and business licenses and license taxes; vehicle and driver's licenses; hunting and fishing licenses; inheritance and gift taxes; and all taxes not meeting the definition for another category.